

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

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| UNITED STATES OF AMERICA |) | No. |
| |) | <u>Violation:</u> Title 50, United States Code, |
| vs. |) | Sections 1702 and 1705(b); Executive |
| |) | Orders 12957, 12959, and 13059; and |
| MOHAMMED R. MESHKIN |) | Title 31, Code of Federal Regulations, |
| |) | Sections 560.203 and 560.204 |

INDICTMENT

The SPECIAL AUGUST 2006-1 GRAND JURY charges:

1. At times material to this indictment:

(a) Defendant MOHAMMED R. MESHKIN was an Iranian residing outside the United States.

(b) Individual A operated a trading/export business in Miami, Florida.

(c) Gondrand AG (“Gondrand”) was an international freight transport and shipping company headquartered in Basel, Switzerland. Gondrand conducted business through a group of subsidiary and affiliate companies located in Europe and the United States, including Atege GMBH (“Atege”), located in Frankfurt, Germany, and Go-Trans (North America) Inc. (“Go-Trans”), located in Jamaica, New York.

The Iranian Embargo

(d) The International Emergency Economic Powers Act, Title 50, United States Code, Section 1701 *et seq.*, authorized the President of the United States to regulate and prohibit exports and other international transactions when necessary to deal with any unusual or extraordinary threat to the national security, foreign

policy, or economy of the United States, if the President declared a national emergency with respect to such threat.

(e) On March 15, 1995, the President issued Executive Order 12957, finding that the actions and policies of the Government of Iran constituted an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States and declaring a national emergency to deal with that threat. The President expanded and clarified Executive Order 12957 through Executive Orders issued on May 6, 1995 (Executive Order 12959) and August 19, 1997 (Executive Order 13059), respectively. The President's Executive Orders imposed economic sanctions, including a trade embargo, on Iran.

(f) The U.S. Department of Treasury, Office of Foreign Assets Control, promulgated regulations, known as the Iranian Transactions Regulations (Title 31, Code of Federal Regulations, Part 560), to implement and enforce the President's Executive Orders. The Iranian Transactions Regulations prohibited, among other things:

- the exportation, reexportation, sale, or supply, directly or indirectly, from the United States, of any goods, technology, or services to Iran or the Government of Iran, including the exportation, reexportation, sale, or supply of any goods, technology, or services to a person in a third country, undertaken with knowledge or reason to know that such goods, technology, or services are intended specifically for supply, transshipment, or reexportation, directly or indirectly, to Iran or the Government of Iran (Title 31, Code of Federal Regulations, Section 560.204); and
- any transaction within the United States that evades or avoids, or has the purpose evading or avoiding, or attempts to violate, any of the prohibitions contained in Part 560 of the Iranian Transactions

Regulations (Title 31, Code of Federal Regulations, Section 560.203).

(g) As a result of the above-referenced Executive Orders and Iranian Transactions Regulations, the exportation of goods to Iran generally was prohibited, absent authorization from the United States government in the form of an export license issued by the Office of Foreign Assets Control. The Office of Foreign Assets Control had the authority to license persons to export certain goods to Iran during the embargo. Persons seeking to export goods to Iran were required to apply for and obtain an export license from the Office of Foreign Assets Control prior to exporting the goods.

Defendant's Attempted Exportation of Goods to Iran

(h) In or about January 2002, MESHKIN contacted Individual A and requested him to purchase an industrial pipe cutting machine and related accessories, specifically, a spare chain and slitting saws, from a machinery company located in Wheeling, Illinois. Individual A placed the requested purchase order in or about February 2002.

(i) At MESHKIN's further request, Individual A directed the machinery company to ship the goods from Wheeling to a freight forwarding company in New Jersey known as M&M Cargo Line.

(j) In or about May 2002, U.S. government authorities detained the goods at the M&M Cargo Line warehouse before the goods could be transported to another location.

(k) After the goods were detained by the U.S. government, MESHKIN made contact with another freight forwarding company, namely, Gondrand, to handle

the exportation of the goods from the United States to Tehran, Iran. Gondrand in turn contacted Go-Trans, its shipping affiliate in the United States, to handle the logistics of the exportation.

(l) During the period between about December 2002 and March 2003, Gondrand and Go-Trans, through certain officers or employees, discussed plans to export the goods from the United States to a Gondrand shipping affiliate in Frankfurt, Germany, namely, Atege, who would then forward the goods to Iran. Go-Trans and Gondrand planned to ship the goods to Iran indirectly, through Germany, at MESHKIN's direction, and so that U.S. government authorities would not discover that the goods were destined for Iran. MESHKIN, Gondrand, and Go-Trans, through certain officers or employees, agreed that any shipping documents that they prepared would reflect that the goods were destined for Germany and would not make any reference to Iran as the final destination.

(m) In or about March 2003, Go-Trans paid Individual A for the storage fees that had been incurred while the goods were being held in the warehouse of M&M Cargo Line. Go-Trans paid Individual A so that Individual A could pay M&M Cargo and so that M&M Cargo Line would then release the goods. Go-Trans did not know that Individual A was then cooperating with the government.

(n) After the storage fees of M&M Cargo Line were paid, M&M Cargo Line released the goods on or about March 12, 2003. Unbeknownst to MESHKIN, Gondrand, and Go-Trans, M&M Cargo Line released the goods to U.S. government law enforcement agents. Law enforcement agents then conducted a controlled delivered

of the goods to a shipping/receiving warehouse used by Go-Trans in Jamaica, New York.

(o) On or about March 19, 2003, Go-Trans arranged to have the goods transported from that warehouse to an Air Canada facility at JFK International Airport, for exportation from the United States to Germany and then to Iran. Law enforcement agents seized the goods from Air Canada before they could be exported.

(p) At no time prior to the seizure of the goods did MESHKIN, Gondrand, Go-Trans, or any agent, employee, or associate of theirs, apply for and obtain an export license from the Office of Foreign Assets Control before attempting to export the goods from the United States. Nor did they disclose on any shipping document that the goods were ultimately destined for Iran. Instead, the air waybill accompanying the goods stated that the goods were destined for Atege in Frankfurt, Germany. The cargo manifest accompanying the goods also stated that the destination of the goods was Frankfurt, Germany.

2. Beginning in or about January 2002 and continuing until on or about March 19, 2003, at Wheeling, in the Northern District of Illinois, Eastern Division, and elsewhere within and outside the United States,

MOHAMMED R. MESHKIN,
defendant herein, knowingly and willfully attempted to export and cause to be exported, from the United States to Iran, a pipe cutting machine and related accessories, without having first obtained the required authorization from the U.S. Department of Treasury, Office of Foreign Assets Control;

In violation of Title 50, United States Code, Sections 1702 and 1705(b); Executive Orders 12957, 12959, and 13059; and Title 31, Code of Federal Regulations, Sections 560.203 and 560.204.

A TRUE BILL:

FOREPERSON

UNITED STATES ATTORNEY